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ISSUES IN RURAL DEVELOPMENT IN EAST PAKISTAN

Princeton Lyman

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Issues in Rural Development in East Pakistan

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Issues in Rural Development in East Pakistan

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Introduction

The recent emphasis on accelerating development in East Pakistan, spurred by political and economic pressures, is leading to development of several new programs for rural development and expansion of others started earlier. The four principal programs are:

1. The Accelerated Rice Production Program (ARPP), a five-year program aimed at achieving self-sufficiency in grain production.

2. The Integrated Rural Development Program (IRDP), a nine-year program for spreading the cooperative program developed at Comilla throughout East Pakistan.

3. The Rural Works Program (RWP), a continuing generally labor-intensive program of road, irrigation and other public works at the village, county and district level.

4. Flood and water control projects under the Water and Power Development Agency (WAPDA), a generally capital-intensive, engineering program of large projects.

These programs are designed to be mutually supporting, or at least consistent. But they contain the seeds of conflict and competition and thus pose serious issues for rural development planning in East Pakistan. Each of these programs has a different priority objective, different sources of internal political backing (and in some cases of external donor support), and each will be competing for limited managerial skills and budget funds from both the central and provincial governments. The purpose of this paper is to define the objectives of each of these programs, identify the sources of conflict, and clarify some of the choices for both Pakistan and donor agencies.

Political Setting

All of the programs' approaches analyzed here are rather tenuous, because the outcome of the political campaign now under way in Pakistan is uncertain. Two points however can be made on the nature of political support for any of these approaches. First, there are almost no political parties or factions of parties intimately concerned with the issues of

rural development. Rural poverty, and certain publicized and politicized rural development programs such as the Rural Works Program, have become political issues. But distinct program positions, confronting conflicts of interests and objectives of the several possible approaches have not been developed by political parties. Instead, East-West disparities and possible East wing autonomy, and problems of organized labor, have dominated the campaign reflecting the urban base of political organizations and of their activist support (e.g., students) and the fact that the most dramatic political actions (strikes, demonstrations) have taken place in the cities or nearby suburbs.

The significance of this point is that whatever party or parties come to power, there will be a gap in the development and administration of any one clearly defined approach to rural development. Instead, there will likely be a scramble of competition by the bureaucratic forces now behind the several different approaches. It also means that the potential for capitalizing on (or exploiting) the conflicts in the different programs is there, but not yet fully tapped, i.e. various political parties might yet try to seize upon the potential conflict of interest between landless labor and landholders, between subsistence farmers and surplus producing farmers -- conflicts that are now more beneath than above the surface in the rural areas themselves.

The second point to be made about the political setting, however, is that the programs discussed below which are now on the drawing board or in progress do represent the different emphases that will be open to a new government. They have the advantage in their present form of crystallizing, in concrete programmatic terms, the choices and the specific implications of choices to be made in rural development. Any new government will have to take steps along one or another of these lines even if not in the precise form of these programs. An understanding of the choices involved, therefore, and the presence of assistance agencies who fully understand the choices, will help to facilitate decision-making once the new government is installed.

In sum, the political setting is such that no single, fully articulated strategy for rural development is likely to emerge from the elections. This situation will be augmented by the administrative weakness of the East Pakistan Provincial Government which will inhibit the implementation of really well coordinated efforts among the several different interested agencies. As a result, several approaches are likely to co-exist. The political-administrative backing that exists for each will be very important. So too will be the effectiveness of those in the government, and their outside advisors, who have the power and responsibility for making some choices between them. In the discussion below, particular attention has thus been paid to the nature of political-administrative backing for each of the programs, and the implications of choices at the margin between them rather than between one or the other as a whole.

Social and Economic Setting

Most of the readers of this paper will be thoroughly familiar with the social and economic conditions in East Pakistan. This section highlights only those factors most relevant to the analysis below.

First, the landholding structure in East Pakistan is relatively egalitarian. For example, compared to West Pakistan where 40% of farmers are tenants and where the 8% of farm units which are over 25 acres control 42% of the land, East Pakistan has less than 2% of its farmers as full tenants and 63% of its land divided into parcels of 5 acres or less. But the significance of East Pakistan's land structure is two-fold: the large number of small-holders provides a relatively egalitarian base on which to build an accelerated development program; on the other hand, with very crowded conditions, only slight shifts in ownership can create a very large landless or near-landless group.

The last point is very important but hard to pin down. What constitutes "near landless": at what point does a farmer have too little to be part of a development effort (new technology, institutional credit, etc.), and equally important at what point does he feel more a part of the landless than the landed? The answer is important, when one looks at estimates of actual land distribution in East Pakistan. The first table below is from the 1960 census, the second from a sample survey in 1963-64.

Number and Area of Farms in East Pakistan Classified by Size

Size of Farms (in Acres)	Farms Number	Percent	Cultivated Area Total (Acres)	Percent
under 0.5	8,02,630	13	1,38,382	1
0.5 to under 1.0	6,89,840	11	4,01,680	2
1.0 to under 2.5	16,77,410	27	24,68,590	13
2.5 to under 5.0	16,15,020	26	51,51,175	27
5.0 to under 7.5	6,98,450	12	37,80,245	20
7.5 to under 12.5	4,42,360	7	37,17,034	19
12.5 to under 25.0	1,87,790	3	26,88,922	14
25.0 to under 40.0	21,370	---	5,38,618	3
40.0 and over	4,610	---	2,53,463	1

Source: 1960 Pakistan Census of Agriculture, Vol. 1, Table 3

Distribution of Land Holdings Among Rural Families (Households) in East Pakistan During 1963-64

Size of Holdings (in Acres)	Number of Families in the Sample	Cumulative Percentage of Families	Cumulative Percentage of Land in Posession
1. Less than 0.25	1102	29.4	0.7
2. 0.25 and less than 0.75	475	42.1	2.3
3. 0.75 and less than 1.25	330	50.9	4.6
4. 1.25 and less than 2.00	422	62.2	9.5
5. 2.00 and over	1414	100.0	100.0

Source: Master Survey of Agriculture in East Pakistan, 1963-64 (Second Round)

The tables can't be compared for trends because of different methodology, but the different results are impressive. If one accepts the census figures, only 13% of the farm families have under 0.5 acres. But a look at all the census tables for 1960 suggests that the figures in this table may exclude the totally landless (the total rural family population figures elsewhere in the census exceed the total in this table). The sample survey of 1963-64 may have included more of these. It shows a much different situation: 29.4% of families with less than 0.25 acres. If one uses 0.25 acres as the dividing line between landed and "landless," the figures are ominous. If one raises the dividing line toward 0.75 acres, which is not unreasonable (see discussion of cooperatives below), the figures become even more ominous, suggesting up to 42% of farm families already in the landless or near landless class.

The data are not precise enough, but certain conclusions are clear. There is a sizeable number of families at the level of practical "landlessness" and an even larger group at the margin between landlessness and self-sufficiency. Evidence of land purchases in areas such as Tharkugaon together with reports of constant mortgaging by small farmers and of city dweller speculation in land, suggest that the trend could be toward an aggregation of people at the lower end of an acre or less, i.e., toward the margin, with perhaps the primary gainers in land being those at the "middle range" -- 2.5-7.5 acre -- rather than really large landholders.

The significance of this is that the precise impact of rural development programs will be critically important. Programs which involve and benefit families with as little as one acre will still exclude -- and thereby tend to make marginal -- anywhere from a quarter to a half of all farm families. Reaching down to farmers with 0.5 acre holdings would on the other hand make a very substantial difference in total

coverage. Put another way, the marginal costs of reaching even smaller farmers is high (organizational costs, credit management, communications, etc.), but the increase in population coverage from such efforts is great. Conversely, failure to reach below one acre holdings could accelerate the shift in holdings toward the middle group and place as much as half the rural population in the landless category (the results would likely vary by region). This could contribute to a tremendous class cleavage in the countryside and trigger much more rapid migration to the cities.

It is this slightly different coverage -- between the farmer with one acre or more and the one with only a half acre or less -- that is extremely difficult to determine in any one program, but which is so crucial to the overall effects of any program for East Pakistan.

Finally, the importance of these considerations is amplified by the trend of population growth. Mission estimates are that the labor force in East Pakistan will double in 15 years and the total population double within around 25 years, regardless of progress in family planning. If one looks ahead to what kind of society can be envisioned in fifteen years, there are several options. New labor-intensive agricultural technology may allow the rural areas to absorb a very large portion of the new labor force, the rest going to small towns and cities. Conversely, there can be substantial shifts of people to the urban areas as farms become more efficient with not many more, or perhaps fewer hands. With a prospect of fairly rapid industrialization, one could contemplate either of these options in East Pakistan, with at least the same equanimity as in any other LDC. But given shortages of capital, management skills and relative attractiveness vis-a-vis investment opportunities in the West wing, and given current donor concentration on rural development projects, industrialization of the East will be slow even by some LDC standards. That makes the second option of very rapid urbanization extremely explosive, if not in one generation then two.

But even with, as suggested in the first option, the promotion of labor-intensive technology and thereby employment in the rural areas, the rural areas cannot peacefully absorb a doubling of the labor force without maintaining equity in land and income (which will be difficult given problems, etc. of further fragmentation and others related to productivity) and even then without a considerable degree of new organizational discipline and socio-political institutional development. There is already a large degree of tension over land, income and opportunity in East Pakistan which will be increased substantially if the population doubles, and tries to work the land under the same general set of institutions and conditions as today.

In sum, the critical rural development problems of East Pakistan go beyond production to land, labor, employment and the institutional structures under which people will live. The importance of the next

few years is not only in meeting the more immediate problems of agricultural growth. It lies in the fact that certain programs started -- or not started -- now can set in motion trends that will determine the future in all these other areas. Shifts in land distribution, occupation, urbanization, and income distribution that happen in the next few years are not readily rectifiable, not at least within the confines of most political systems and certainly not without major upheavals.

The Different Programs

1. The Accelerated Rice Production Program. This is the basic plan being proposed for introducing high yield rice varieties in order to achieve self-sufficiency in grain. The program rests primarily on a coordinated program of controlled water supply, introduction of new seeds, and subsidies of other inputs (fertilizer, credit, labor) and the price of rice. The program's chief bureaucratic sponsor is the Department of Agriculture, with support also from the East Pakistan Agricultural Development Corporation which is responsible for fertilizer, pumps and seed distribution. However, the program necessarily involves the cooperation of many other institutions: The Directorate of Cooperatives, The Cooperative Bank, the Provincial Academy of Rural Development, WAPDA, and the State Bank.

The program aims to reach self-sufficiency in rice over five years by the introduction of high yielding varieties for all three crop seasons: aman (summer), boro (winter), and aus (spring). Aman is the principal crop in East Pakistan, however, and it accounts for over 50% of the projected increase in tonnage and nearly 60% of the acreage under the program. Thus the program as presently conceived rests heavily on the success of IR-20 which has been developed but only slightly tested for use in high water (summer) areas; IR-8, already tested more, is planned for use in the boro season.

Acres in Rice, and Projections for HYV

	Aus	Aman	Boro	Total
Presently cultivated a/	76.58	144.0	20.35	240.93
(Percentage)	(32)	(60)	(8)	(100)
Planned for HYV a/	25.0	50.0	10.0 c/	85.0
Additional tonnage b/	12.25	25.0	8.75	46.0

Source: Agricultural Rice Production Program, Government of Pakistan, Department of Agriculture

a/ Lakh (100,000) acres
b/ Lakh tons
c/ Elsewhere the ARPP lists 15 lakh acres of HYV boro

The program would operate along the following lines:

1. IR-20 would first be introduced into flood-free aman zones, i.e., where tubewells have already been installed: Tharkugaon, DND and GK project areas by WAPDA; Comilla by PARD. Acreage selected would be grouped in "production blocks."

2. For the boro crop, and presumably later aman and aus, pump groups would be organized at the village level to share in the rental costs and benefits of low level pumps. Responsibility for organizing the groups lies largely with the Basic Democrats; to a lesser extent with Cooperative Managers and Extension agents.

3. EPADC would rent the pumps to the pump groups at a subsidized rate (subsidy decreased each year) and would charge for water at a subsidized rate.

4. Pump groups would be registered as cooperatives by the Directorate of Cooperatives and thereafter be entitled to credit from the Coop Bank. Credit would cover all material and labor inputs in the initial years, and be provided at 9% a year, in contrast to 15% in the regular cooperative program (see discussion of IRDP program below).

5. Rice produced under the program would be guaranteed a price slightly above the normal government price, with a limit of maunds per acre (but not on acreage per farmer).

The details and timing of this program, once put into effect, will undoubtedly be subjected to the limitations of management and funds, the availability of seeds, and the yields of the new varieties. But the principles are clear. There is an emphasis on production, utilizing subsidies and quick organizational methods to achieve rapid utilization of the new seeds. By contrast to the other rural development programs discussed below, the organizational and disciplinary principles of cooperatives (as developed at Comilla) are given less weight; there is no special effort to control farmer participation in order to avoid disparities in benefits; and there is little direct contribution to the income of the landless.

The ARPP has many valuable advantages. It addresses a critical, immediate national need. It promises, if experience elsewhere is a guide, to be one of the only programs dramatic enough to bring together different agencies in East Pakistan in a coordinated rural development effort -- certainly an important landmark in any rural development hope for this province. It will increase the income of at least a third of the rural population directly and perhaps half or more indirectly in only a few years. It will provide an agricultural surplus on which industrialization can expand. Few development programs could promise more.

The major problem with the ARPP is that it threatens to contribute to a growing inequality of wealth and opportunity in the rural areas and lay the basis for further polarization of landed and landless, or at least surplus and marginal farmers. This possibility arises from three factors: (a) the program gives primary opportunity to the farmers who already have cash and are relatively less in need of credit; (b) there is no built-in protection against speculation and land acquisition that will likely arise from early successes; (c) its coverage is bounded by the high costs of, and lower impetus for spreading similar programs to all farmers once self-sufficiency is achieved. These factors are analyzed below.

The Equalizers: Pump Groups and Credit. The first of these factors is evident when one looks at the proposed mechanics of the program in comparison to the institutional entities which will operate it. In principle, the pump groups -- the basic institution -- will bring together small farmers who, through cooperation and subsidy, can benefit from the new technology. Initial experimentation with such pump groups in 1968-69 appears on the surface to back this up: groups averaged 51 members with 51 acres. 1/ But looking at the managers of these groups, one finds that 40% owned between 5 and 20 acres of land and 5% owned 20-30 acres. 2/ This compares with only 22% of farmers generally in East Pakistan with 5 acres or more. One can argue that large farmers -- by education, wealth, natural leadership -- would tend to dominate such groups. But it is hard to believe that a farmer with 5 acres or more would bother to manage a pump group that served only one of his acres; land distribution within the group might therefore be skewed. The data are too incomplete, but the suggestion is there that rapidly organized pump groups (organized too in most cases by the Basic Democrat, not a trained coop leader) tend to follow unequal land/income lines even more than average distribution patterns and provide an organized vehicle for continuing the relative advantages of larger farmers. Indeed one suspects that at least some of the pump groups may have been composed of farmers in a quasi-tenant, debtor relationship to the manager or informal group leader.

The suggestion is strengthened by the record of credit to such groups. In the 1968-69 pump group program, 74% of the group members received no institutional credit. 3/ It is possible, as Aktar Hameed Khan has suggested, that credit is not so much a problem for small farmers in the boro season because of the aman harvest just behind them. But the weakness of organized credit cannot help but play to the advantage of those with relatively more cash and to the disadvantage of the marginal farmer. Small farmers who do participate may have to rely on their landlord or a moneylender. This becomes more true as the program is expanded to the aus and aman crops when cash is not generally available in the rural areas.

The ARPP is ostensibly not oblivious to this problem. Subsidized credit is a major element of the program, and it is projected to expand steadily to meet the needs of the program. In the first year, cooperative credit is projected to rise by 17%, and within the total, supervised credit is nearly to double. But the capacity of the credit system to expand is questionable. In 1970, only 9.9% of farmers in East Pakistan received new loans under any form of institutionalized credit. The Mission projects only 13.8% will do so by 1980, when both the ARPP and IRDP are expected to be established province-wide. This is not an overly pessimistic assumption. The main vehicle for credit distribution to smaller farmers is the Cooperative Bank and its 62 branches known as Central Banks. The Cooperative Bank is generally conceded by Pakistanis and foreign consultants alike to be notoriously weak in administrative capacity. 4/ It is hardly able to reach primary (village level) cooperative societies at all, and for any kind of supervised credit must certainly rely on Thana (country) Central Cooperative Associations which take charge of reloaning to the primary societies. The ARPP provides funds for training Cooperative Bank staff. But that is hardly enough. Under pressure to expand rapidly, the Cooperative Bank will either loan late, loan sloppily (e.g., without supervision or attention to the actual recipients), or not loan at all. Indeed, it is not certain that the State Bank, which holds the Cooperative Bank on a short tether of one year loans and looks disdainfully at its administrative record, will readily finance an expanded operation.

Another weak element of this scheme is the pump group-cooperative relationship. A pump group becomes eligible for subsidized credit from the Cooperative Bank when it is certified as a cooperative. When enough cooperatives are certified in a Thana, a Thana Central Cooperative Association can be formed. From the point of view of the production program, and indeed the credit program, the faster pump groups are certified, the faster credit can be administered. But if pump groups are formed quickly for only two purposes -- to obtain a pump and to qualify for subsidized credit -- they are hardly cooperatives in the fuller sense of the term and their effectiveness in matters other than water use are questionable. If they are too easily certified, the task of supervision of credit, internal organization, savings and other aspects becomes difficult even for trained professional coop leaders from Comilla in the Thana Central Cooperative Association. It will be difficult therefore to prevent the pump groups-qua-cooperatives from being dominated by larger landholders and/or moneylenders including their use and distribution of credit -- the pattern which has been found to take place in many (maybe most) of the cooperatives fostered in other LDC's and which has made them often barriers rather than vehicles for social and economic mobility. No one at Comilla denied that the pump group program as practised now made the more disciplined, small farmer cooperative program being promoted by PARD much more difficult to achieve.

In sum, the two "equalizers" in the ARPP are the pump groups which are designed to enable small farmers to share the costs of water control, and the credit program which provides low cost funds. But the pump groups, as they have been fostered, lend themselves to easy domination by the larger landowner. The subsidized credit program meanwhile is so weak as to place the moneylender in a very advantageous position or else to leave the program to those who do not need credit. Experience to date shows that pumps, seeds and fertilizer will be distributed by EPADC with or without institutionalized credit available wherever the pump groups are formed. An accelerated rice program will be even more anxious to distribute the inputs to farmers who are organized and ready to use them. Participation in the ARPP will therefore likely be first by those with cash or those who rely on local sources of credit, and on a lesser scale by independent small farmers using institutional credit. Marginal farmers -- those below one acre -- are thus likely to participate if at all only at the sufferance of a landlord or moneylender.

Land Speculation and Acquisition

The pattern of participation described above is not so alarming if it could be but one stage of a gradually widening pattern. But the results may be otherwise. One reason may be the effect on land purchases. Substantial increases in output will undoubtedly raise land values. In Tharkugaon, where tubewells, pumps and IR-8 were introduced, land values reportedly jumped ten times. 5/ Such changes could lead to farmers who have participated early in the program buying up more land, and to urban speculators buying land in order to cash in on the new technology. The sellers would be marginal or near-landless farmers, deep in debt and not organized to engage in the new technology. They would become tenants, landless labor, or migrants to the cities. It is unlikely that once such a farmer has sold out, he would later acquire the capital to buy in again at the higher prices.

There are forces working against such a trend. People in East Pakistan hold on to their land. They mortgage it to the nth degree, fragment it among sons, but they part with it wholly under only extreme circumstances. Moreover, a sample of farmers in the Comilla project over five years showed that while their land value nearly doubled and their income and total assets more than doubled, their average holdings actually declined. 6/ Comilla has the unusual situation of extensive supplementary investment (their assets in capital goods and stock in business rose nearly ten times), but it still may be indicative that investment in larger landholdings is not readily open to farmers even with increased income. Finally, the new technology in rice is labor intensive. A PARD evaluation of irrigation and IR-8 use in the boro season showed as much as a 60-man day increase in labor per acre over older practices. 7/ This means that there will be a growing demand for labor, and that the economies of large-scale holdings will not be as great for an individual

as in the case of Mexi-Pak wheat where mechanization and extensive land cultivation became attractive.

Nevertheless, the new seed varieties will produce a much more dramatic impact on land values and income than occurred in the Comilla project, and in other regions with nowhere near the painstaking organizational infrastructure among participating small farmers to protect them from speculators. Similarly, the labor-intensive nature of the new technology may protect the rural labor force from unemployment but not necessarily the more marginal farmers from a more inequitable land and income distribution pattern, e.g., through an increase in quasi-tenancy and share-cropping or through creation of an even larger landless rural labor force. It is therefore plausible that the ARPP would still lead to further agglomeration of land in fewer hands. This has in fact been the pattern in almost all agricultural breakthroughs in other countries. There are no built-in protections against it in the present ARPP.

Limits of applicability

But even if landholdings do hold steady, widening application of the program will be constrained. The ARPP has an immense task ahead of it in organization, communication, funding and administration to reach its goal. But one of the most striking things about it is that the goal of self-sufficiency can evidently be reached by covering little more than one-third of the total acreage in rice. Even allowing for substantial over-optimism in the present plan, the rice needed to feed East Pakistan will not require even half of its farmers to adopt new technology. When one considers the immense cost of the planned program as well, it is clear that once self-sufficiency is reached there will be neither the incentive nor the funds to extend it to all the farmers.

It may seem odd to worry about this problem when the program has not yet even begun! But it is not. If the pattern of participation in the ARPP is roughly as predicted above, the one-third or so of farmers who are in it will be the most enterprising, those with at least close to an acre or more, and the most solvent (if not before, then afterwards). Left behind will be the marginal and near-landless. And they will become all the more marginal because (a) they will be less able to compete with those who have adopted the new technology, (b) the cost of reaching them with development programs will be proportionally higher than for the initial group, when the most enterprising leader-type farmers among them have already been drawn off into the new technology, and (c) the returns to the country from reaching them in terms of agricultural needs and other economic priorities will be less. One has only to look at the pattern of IBRD, A.I.D. or host country investment in those countries which have reached or are approaching self-sufficiency in grain (India, West Pakistan, Turkey) to see how powerfully the cost/benefit argument inhibits subsequent investment in the marginal farmer.

The arguments for "crop diversification," urbanization and other solutions become louder. These may seem to make macro-economic sense. But proposals like crop diversification place upon the least efficient, least solvent, and most marginal farmer the most difficult burden: not just a new technology but of a whole new way of life. Crop diversification is in fact likely to be adopted first by the same farmers who moved into new rice seeds, unless massive government programs are invested in the marginal farmers first. The solution of urbanization does not take into account the immense employment problem East Pakistan faces in the next generation, and again places the greatest burden of dislocation, etc. on the least adept and enterprising.

Thus the drive for self-sufficiency may solve a major economic problem, but create an enormous social and political one. The population that becomes marginal in East Pakistan could be as much as half the rural families. Many of these may still remain contented subsistence farmers. But in a volatile situation, they could become an alienated, unassimilated cancer in the body politic.

As pointed out earlier, the ARPP is a vital program, and offers opportunities for very large numbers of small and medium farmers, as well as for East Pakistan development in general, heretofore unknown. The drawbacks listed above are thus not intended to be a case against it. But they do point up the problems of East Pakistan which it doesn't address, which it may well axacerbate, and which other programs along with modification of the ARPP must concurrently address.

2. Integrated Rural Development Program

If the ARPP is focused on the problems of production rather than the future organization of East Pakistan society, the IRDP -- or the "Comilla replication" program -- is focused specifically on the organization, structure and operating principles of rural society. It would be a mistake to see Comilla only as a "cooperative" program. It proceeds from a political and social philosophy and a strong set of operating principles distinct from most overseas cooperative programs, which are both its strength and its weakness in meeting the challenges ahead of it.

The Comilla cooperative program was developed at the Provincial Academy of Rural Development (PARD). PARD ostensibly serves all of East Pakistan, and it has played a key role in testing, promoting and evaluating province-wide programs in Rural Public Works, Thana Irrigation, and rural administration. But the cooperative program for which it is famous is concentrated in one Thana (Kotwali), where it has evolved over twelve years. Twenty or so other Thanas in which it has begun cooperative work have progressed rather slowly, though the latest group has progressed more rapidly than earlier starts. This past record makes the proposed IRDP more imposing. In five years, the IRDP proposes to develop a Thana

Central Cooperative Association in all 413 Thanas and in nine years to have all of these operating without further heavy subsidy.

The task is imposing when one looks at what the Comilla principles are. The program proceeds from a deep commitment to a rural society controlled by small farmers.. The cooperative is designed to enable small farmers to learn to work together, protect themselves from domination by large landowners or moneylenders, develop new leadership to challenge or at least balance traditional local leadership, and to provide the vehicle for economic self-improvement. To achieve all of these, Comilla advocates an approach to cooperative organization that stresses discipline, professional management, and a strong degree of outside tutelage. The discipline is achieved through obligatory attendance at meetings and regular savings. Professional management is achieved in part by obligatory regular training of the elected village level cooperative leader. It is also achieved by having managers at the Thana level -- where the key training, policy development, and program promotion takes place -- composed of professional "outsiders," i.e., Comilla-trained experts who do not come from or own land in the Thana. The tutelage is evident in the method of local organization (by Comilla professionals), the insistence on internal discipline (in savings, regular meetings) as a condition of certification, and in the use of "outsiders" at the Thana level.

All of these aspects fit together and, in the opinion of the program's originator Aktar Hameed Khan, are indispensable. The use of local elected leadership at the village level is necessary to make the cooperative a genuinely members' organization. Disciplined attendance and savings are necessary to create a cooperative framework and to establish a basis for self-reliance. This part of the program also drives out the exploitative moneylender who has no interest in savings of this kind while it frees the members from dependence on him. The obligatory training of the locally elected manager similarly improves the primary society's ability to operate successfully for itself while it also enables the Thana officer (and through him the members) to keep an eye on the integrity and performance of the manager. The outside professional at the Thana level, finally, is necessary to prevent domination of the cooperative by a local vested interest. The primary societies have the power to remove the Thana officer and request another from PARD. But Khan argues that they would not be able to "remove" a local leader because he would be too powerful. Thus the Thana project officer protects the development of new local leadership -- coming up through the ranks of coop managers and model farmers -- while being professionally responsible to the membership. After years of such tutelage, the local small-farmer leadership will presumably be able to stand on its own.

Economic self-improvement is both the catalyst for organizing the corps as well as one of the chief benefits. Khan stresses irrigation as the

most important incentive for the original cooperative; later improvements run the gamut from rice technology to commercialized industry. But economic gains do not supersede the principles of small farmer organization and leadership. Thus Comilla has not been as strong in support of province-wide programs for introducing new rice seeds as it has in irrigation and work programs which demand more cooperative effort and strengthened local government. PARD has looked askance too at highly commercialized cooperative ventures, such as in Rangunia, because it fears that the commercial interests have outrun other objectives.

Principles and Politics

One key contribution of the IRDP is that in its own way it is searching to create an institutional structure for rural Pakistan that would make it possible, short of totalitarian means, the projected twice as many people as today to live and work productively on the scarce land of East Pakistan. Another plus of the Comilla approach is that A.H. Khan, unlike many foreign or domestic cooperative specialists elsewhere, is right about the nature of rural organization. Cooperatives organized primarily for economic purposes tend to be dominated by existing vested interest, perpetuating rather than overcoming inequalities in rural income and social mobility. Only by creating a cooperative movement with a very specific political orientation to the contrary can this be overcome.

But Khan is also right about another principal ingredient of the Comilla approach, which poses one of its most difficult dilemmas. The program will work only if the government believes in it -- if the government sponsors, pays for and backs up politically a corps of "disinterested" professionals who will check the traditional local elites from taking over the co-ops for their own purposes. However, the Government of Pakistan has never been so politically and philosophically committed to a small farmers cooperative movement, and for this reason as much as any has never really backed the Comilla program for much more than experimental efforts. Moreover, as we are learning from the OEO experience in the U.S., it is extremely difficult for a central government anywhere to sustain local efforts that bypass and challenge local elites upon whom the central government is to some degree dependent for its support.

Thus the IRDP, despite the fact that it has achieved approval of the East Pakistan government, has very little solid political or administrative backing within the government. Moreover, no political party is strongly committed to it, and some are positively hostile. It draws its support from outside agencies (e.g., Ford and to a lesser extent A.I.D.), from the prestige and charisma of Aktar Hameed Khan, and from a few Pakistanis in and out of government who see it, or something similar, as essential to harnessing the productive potential of East Pakistan's fragmented rural holdings. But in competition with other programs, it will not likely fare well.

IRDP and the Other Rural Development Programs

The competition is not only in funds and backing, but in substance. There is an almost inherent conflict between the slow, painstaking, disciplined building of a cooperative society in the Comilla image, and the rapid development, certification and subsidizing of the pumps groups qua cooperatives in the ARPP. Indeed Khan himself disapproves of "soft" programs, i.e., those that make credit too easy, without demanding first internal savings and discipline. This is probably why he does not see the institutionalized credit problem as being as serious a problem for the ARPP as this paper does; not because he doesn't worry about the domination of the program by relatively better off farmers through money-lending, but because his solution is the Comilla-type cooperative with internal savings, not faster government credit alone. In this regard, it is worth noting that the IRDP proposes institutionalized credit at a rate of 15% to the farmer, which includes 6% to cover costs of the Thana Central Cooperative Association. The ARPP proposes to subsidize this 6% cost, and charge only 9%. The ARPP scheme weakens farmer identification with the Thana Central Association; it also however makes it difficult for the IRDP to work outside the ARPP areas, since it will be difficult to get other farmers to pay the higher rates.

Another potential conflict with the ARPP lies in control of agricultural programs at the local level. Where cooperatives are strong and growing, Comilla would have them be the chief vehicle for extension, fertilizer and other inputs as well as credit. This would give them more to offer their members as well as strengthen their local power against opponents. Comilla has achieved this in Kotwali; it has also been done in Rangunia. But elsewhere, the competition between District and Thana Agricultural officers (proposed to be in charge locally of the ARPP) on the one hand and the Thana cooperative officers on the other, can be expected to be sharp, especially if the accelerated rice program has rich political rewards for the Ministry officially most responsible for its success. There is in fact a long-standing bureaucratic rivalry between the Department of Agriculture, especially its extension service, and the Comilla program. In any case, other agencies will not have the same interest in channeling important programs exclusively or primarily through the co-ops, especially if there are interested, enterprising and perhaps influential farmers outside of them. Similar conflicts can be expected between the cooperative offices and local representatives of ADC over seeds and fertilizer, Basic Democracies and Local Government Department over the organization of pump groups, and WAPDA where it controls the total program in an area (see below). Indeed, one of the real organizational problems between the IRDP and other programs is that parts of East Pakistan have been "divided up" administratively between Comilla, WAPDA, and ADC. It is thus not true, as suggested in some papers from the Mission, that the IRDP will move necessarily into areas where the new technology is being introduced. Comilla will have no easy

time moving its full program into these other areas, each of which has a substantial piece of the projected early stages of the ARPP.

Keeping Pace

A problem, finally, arises from the personality of the Comilla program, or more specifically of Khan. The Comilla project emanates from Khan, and all who work on it are disciples. As a result, it is difficult for PARD to "let go" of the program, to find variations in different parts of the province which respond to local conditions and which would therefore allow it to grow more quickly. People at Comilla generally deny it, but the success of Kotwali Thana owes a great deal to the nearby presence of PARD and unquestionably to the fact that Khan roams through Kotwali as much or more as he presides at PARD and certainly far more than he has personally worked in other areas. If PARD is to serve all of East Pakistan, it must break out of the Kotwali context, where the rewards of the highly successful experiment tend to blind one to the fact that it is only an experiment, a pilot for the real task still ahead.

PARD should ideally set up sub-academies in other parts of the province, which can give the same devotion and concentrated attention to those locales as PARD has given to the Comilla area. Thana Central Associations, the official bureaucratic vehicle for the program, do not substitute for the academic and philosophical influence of an academy. When I suggested this to one official at PARD, he agreed but said that these were not yet staff trained to handle sub-academies. If after twelve years, PARD has not developed even a few individuals capable of running sub-academies, then this is evidence that the program has indeed been dominated by a single personality. In fact, such individuals do exist, if given the opportunity and the solid backing of PARD as they start to progress in new areas.

These conflicts and problems add up to a real competition between ARPP and the IRDP and a dilemma for PARD. If pump groups accelerate and succeed with the new technology, some of the most enterprising farmers (including small farmers) will have "made it" without a more disciplined Comilla-type cooperative; also at least some of the new official cooperatives formed under the ARPP will be dominated by moneylenders or relatively larger landowners. The IRDP will be faced with organizing further on its terms only the more marginal, without the needed leadership and cooperation of the more enterprising; and in some cases it will be faced with trying to break the power of local elites entrenched in established co-ops rather than with simply excluding them at the outset. Comilla is thus faced with a dilemma: move faster in its initial organizing work province-wide to keep up with the pace of the ARPP and the growth of pump group/cooperatives at the risk of sacrificing some of its principles; move more slowly and systematically as it has done in the past at the risk of being made irrelevant province-wide by the more rapidly moving rice program.

It is likely, with the temporary absence of retirement of Khan, that PARD will become more pragmatic and choose the former. It will recognize the momentum inherent in the new rice technology and play its role in the ARPP by trying to build as many of its principles as it can into the rapidly expanding pump groups. But PARD will be at a disadvantage in every marginal dispute with ARPP because of its lack of political backing and its lack of footing in certain regions. It will also have a painful adjustment process that will take time to overcome. PARD will need a tremendous shot in the arm to hold its own in all this.

Comilla and the Landless

The Comilla program as noted is the only one that has even begun to develop an overall equitable social-economic-political structure under which a labor surplus population can hope to live and work together peaceably in East Pakistan's rural areas. Nine years, and the budget involved, and some delays in the goals of the ARPP, would be a small price to pay if by then the IRDP could establish the infrastructure throughout the province which could absorb the enormously increased labor force, whose presence will be being felt severely by that time. But even Comilla is greatly limited in this regard. With all its efforts in Kotwali Thana, it has organized just about half the rural families. Its upper limits are not much greater. Excluded are the larger, self-sufficient farmers; those kept out or who choose not to join because of local factional differences; and the landless and near-landless who cannot afford to join or cannot see the benefits of doing so.

The last group poses the most serious numbers problem. PARD claims that the cooperative is accessible to very small farmers, down to 0.5 acres and even less. But their record does not bear this out clearly. A sample of "small farmers" in Comilla cooperatives, i.e., those with less than 2.0 acres, showed an average holding of a little more than one acre. The average of the total sample of all sizes was 2.62 acres, larger even than the average for the sample of "middle farmers." 8/ While actual landholding distribution in Comilla was not available, and averages alone are obviously not indicative of the actual number of small-scale holdings, the suggestion from the figure and from several discussions is that the cooperatives draw in mostly the farmers from 1-5 acres, with those at the lower end of this range showing some of the most impressive gains in literacy, output, and general economic improvement. No small achievement!

But one is left once again with the large block of landless and near-landless, at least a quarter of the rural population already, excluded from the ARPP and not encompassed by the IRDP. If the IRDP falls substantially behind the pace of the ARPP and the marginal farmer population increases as suggested earlier, this problem looms even larger. PARD and A.H. Khan are the first to admit this gap, and for this reason are strong advocates of the Rural Works Program as a necessary corollary to the IRDP.

3. The Rural Works Program

This program is the one with the most direct benefit to landless labor, though obviously the infrastructure in roads, irrigation and public facilities aids the agricultural economy and thereby the landowners as well. The achievements of the Rural Works Program and its economic return have been analyzed by John Thomas. 9/ It began on an experimental basis in 1962 and featured primarily road construction despite policy directives to give irrigation a high priority. More recently, irrigation has become an important piece, with the Thana Irrigation Program (canals, tubewells, staffing, etc. to support the development and use of pumped water through the pump groups described earlier) expected to account for 25% or more of the funds. Between 1962 and 1968, the program created 173 million man-days of employment. It apparently raised the average wage for day labor in the countryside and gave laborers at the margin of landlessness an option in accepting lower pay work on others' farms.

Rural Works does not conflict in principle with the other programs. The infrastructure, as pointed out, is essential to the development of the rural economy. The local government mechanism which administers it is strengthened politically but not to the detriment of the other programs' administration. Aktar Hameed Khan, for example, is a very strong advocate of the Works Program and of the strengthening of local government as its corollary. He champions local government as an essential part of his philosophy of the rural society, and he frankly welcomes the involvement of the traditional local leaders in the Works program as a satisfactory diversion of their attention from the activities of the cooperatives.

Presently, however, the Works Program is in serious political difficulties. The Program itself, along with the Basic Democracies system of local government, with which it became intimately associated under Ayub, caught heavy flak in the political charges made against the Ayub regime. The Basic Democracies system has been largely, though not entirely, dismantled by Ayub's successor. The Basic Democracy and Local Government Department, which oversees the Works Program, is demoralized, without strong leadership, and uncertain of its future. The Works Program grew in the first place largely on strong outside support. That too is waning. The principal outside support came from the Harvard Development Advisory Service which helped plan the program, and from A.I.D. which helped finance it. The Harvard group has now left on request of the government. A.I.D.'s influence may be attenuated by its desire to shift to general rather than specific budget support and by the decline in P.L. 480. The future budget for the Works Program, always a chancey thing, now seems more uncertain than ever.

There are also serious conflicts in priorities between those interested in production and those interested in employment which will affect not only the total budget for the Works Program but also allocations within it. The Thana Irrigation Program is a good example. Critics from the left, ironically, along with others have attacked the Works Program for its emphasis on roads as opposed to irrigation, arguing that the latter had a higher economic priority. 10/ But the Thana Irrigation part of the Works Program, which now is being strengthened, has a much lower labor involvement as well. Close to 25% of the Thana Irrigation Program for 1968-69 was for capital equipment (tubewells), another 15% for pump subsidies to EPADC, and 10% for training of officials. Less than half went for actual construction out of which wages could be paid. 11/ The dilemma was put succinctly by a PARD evaluator: "It appears from the present mode of operation that the irrigation and other works programmed present a clear dichotomy. The former stands for the subsistence farmer and the latter for the landless labourers." 12/

Despite John Thomas' efforts, moreover, and all the arguments that one can give for the type of infrastructure which this program produces, the Works Program is likely to continue to be viewed generally with a jaundiced eye by economists and planners. Until employment is recognized as a priority economic objective, which it is not now, the Works Program will be seen as a kind of hand-out. Wherever possible, substantial portions of its funds will be earmarked to production-oriented programs like irrigation regardless of the employment effect (instead, for example, of funding capital costs of the irrigation part of the program out of the ARPP, EPADC or other budgets and preserving the Works budget for labor-intensive construction costs). Too, the Works Program, unlike the ARPP or the IRDP, offers no five or nine year climax. Not only will the need for it remain, but it will grow with the increase in rural labor. Such a steady budget cost is not looked upon kindly by programmers, planners, or budgeters in the government or in donor agencies. Finally of course, with the projected increase in rice production and the subsequent decline in P.L. 480, the sources of foreign financial support for the Works Program will decline.

The Works Program however is a necessary part of any hope of preventing massive rural-urban migration and serious social and economic divisions in the rural areas. Carefully spread from rural to small town projects, it can provide not only a vehicle for employing landless labor but the source of basic infrastructure investment in small towns that will prevent over-burdening of the major cities as people do leave the farms. It energizes too the talents of local government and strengthens the capacity for local administration that is a central feature of any successful (relatively) decentralized economy. Finally, it provides an economic and potentially a political vehicle for that group shut out of the direct benefits of either the accelerated rice or the cooperatives programs. No political party however is yet prepared to seize on it for that.

In the interim, it must be preserved by enlightened administrators and developers. Unfortunately, these will likely be the same people sympathetic to the IRDP. And the result will likely be that the IRDP and the Works Program -- these "soft," socially conscious ones -- will compete with each other for funds rather than very successfully with others.

4. The Water and Power Development Agency (WAPDA)

This writer did not examine in detail the WAPDA programs in East Pakistan. But there are several apparent features of WAPDA relevant to this paper. WAPDA controls all the major water development programs in Pakistan. It is basically an engineering organization, interested in large-scale projects that use the most efficient engineering methods. Its greatest source of outside support is, not surprisingly, the World Bank with which it shares its basic approach to judging the desirability, cost/benefit ratios, and methods of operation of engineering projects.

WAPDA is powerful. It has access to World Bank and other donor funds. It is technically efficient and well run. Internally, it has the political attraction of bringing in capital aid funds. And in the emotional East-West competition, WAPDA projects which bring World Bank and Consortium funds to East Pakistan which match those that have gone and are going into the Indus Basin are very popular with all Bengali political parties. The glamor of the figures associated with projected WAPDA programs in the East effectively masks for politicians and bureaucrats its one weakness: WAPDA has little interest and no expertise in who uses the water it develops.

In Tharkugaon, where WAPDA installed tubewells, it first gave the water away free. When farmers even then failed to use it productively, WAPDA imported a Comilla expert to organize pump groups. More recently, WAPDA has ceded operational authority in some of the areas it has developed to ADC. WAPDA, however, is not committed to cooperatives nor necessarily to pump groups. In the installation of tubewells, it (and the World Bank) is not concerned with maximizing employment (note the struggle over tube-well types in a recent project). In sum, WAPDA has no commitment to the objectives and priorities of any of the three other rural development programs discussed, though it comes closest to the production objectives of the ARPP. Yet WAPDA occupies a central place in all of these programs. Tubewell areas, developed and administered by WAPDA, figure prominently in the early stages of the ARPP: Tharkugaon alone provides 20% of the acreage in the lower level target of the first year program of the ARPP. By its location of tubewells, its policy on distribution of water, and its relative sufferance of other agencies' objectives, WAPDA will thus be in a very strong position to make or break these programs, more so perhaps the disciplined IRDP and the labor-intensive Works Program than the ARPP. Furthermore, WAPDA will command sizeable local currency budget allocations to match its capital project financed from abroad. These

budget needs will be strong competition for other programs. A Rural Works Program can hardly compete in glamor and grandeur with a WAPDA redevelopment scheme, and it has little or no foreign input to match WAPDA's as well.

In sum, the political attraction of grand flood control projects will undoubtedly detract from the priority of projects that are labor-intensive, and those which are concerned with how farmers are organized as much as how much water is available to them. It is in fact the power of WAPDA, and increasingly of other agencies in regions they control, that tends to drive Comilla into "tending its own little garden" at Kotwali and tacitly conceding the battle elsewhere. But on a larger scale, the drama of the East-Wing competition could lead East Pakistan into deferring the hard work on not only the IRDP but other rural development programs as well, as it pursues the grander capital-intensive schemes of water development in conjunction with cooperative international donors. This approach defers all the problems of social and economic organization and plays into the hands once again of those relatively few quick enough to cash in on the benefits. WAPDA then poses two problems: the organizational structure for use of the water it develops, and the low priority it and the World Bank give to employment in its selection of projects and method of implementation. Given WAPDA's independent stature and influence, these are major problems.

Conclusions

The purpose of this paper is not to paint a bleak picture, nor to raise spectres, but to illuminate issues. The East Pakistan rural scene is composed of some extraordinary advantages as well as difficult problems as it embarks upon plans for accelerated development. These, and the conclusions which flow from them, are as follows:

1. The distribution of land, and the attachment to their land by small holders, in East Pakistan provides one of the most equitable socio-economic rural structures of any of the developing countries. Moreover, Pakistan's smaller farmers have shown themselves to be the most intensive, and most productive farmers in development efforts, laying to rest arguments that productivity requires greater land concentration. This makes possible a "Green Revolution" in East Pakistan that, unlike in many other countries, will benefit directly the bulk of the rural population and not exacerbate greatly inequalities in rural income.

2. East Pakistan has in place, and well experienced, functioning programs in small farmer cooperatives and rural works to a degree that have been extraordinarily difficult to establish elsewhere. Comilla has a sophisticated philosophy and mode of operation beyond that of cooperative programs most anywhere, an almost unblemished reputation for honesty and sincerity, plus a dozen years intensive experience in all manner of rural project development. The Rural Works Program has succeeded in decentralized

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planning and administration of a very sizeable labor-intensive construction program where many LDC's with more sophisticated bureaucracies have failed. Despite recent attacks on it, morever, the Works Program administrative structure remains in being, and the program continues.

3. On the negative side, the institutions for organizing and making the small-farmer economy more productive on a long-term basis are notoriously weak especially on a province-wide scale. East Pakistan has a poor staff for planning, coordination and follow-through on complex governmental programs. Institutional credit, which is one of the key "equalizers" in a broadly participatory rural development program, is grossly inefficient, yet the center of very little attention in any of the proposed government programs or those for technical assistance from abroad. Comilla is restricted in geographic influence, lacks political backing, and has internal personnel problems.

4. The growth of population will continue to put pressure on land, leading to more fragmentation and more landless. The task of organizing small farmers for efficient production thus is becoming more difficult. Employment problems are also growing apace as more people leave the land or work it with only marginal return.

5. Looking ahead fifteen years to twenty-five years when the population will have doubled, the need will exist not only for more employment and productivity but for new socio-political and economic rural institutions to avoid growing tension and unrest, while providing continued equity in holdings and opportunities. While it is conceivable that the present institutional structure could adjust piece-meal to such pressures, already existing tensions and disputes over land (most litigation and a fair amount of violence in the rural areas now relate to land disputes), the stream of migration to the cities and the volatility of East Pakistan's politics all suggest otherwise. North Vietnam's rich Red River Delta suggests perhaps a parallel, where a very equitable land distribution effort was found untenable in the long run because of economic and population pressures on small and highly fragmented holdings. There the solution chosen was totalitarian in the form of forced collectives -- and not entirely effective from either an equity or production point of view. In East Pakistan, there is hopefully a more positive alternative. But the institutional infrastructure needs to be laid soon, before the effects of a major new agricultural technology are widespread.

6. At present, no strong political vehicle exists for representing and facilitating the interests of rural development in the Government of East Pakistan or at the central government. Small farmers are poorly represented in the political spectrum, and landless are represented at best by ideologically sympathetic urban parties rather than by their own organized efforts. Detailed programs of rural development are absent from the political platforms; schemes that do attract attention are those that carry the promise of large allocations of aid and central government budget, without analyses of the effect on people and sometimes even on production.

7. Similarly, there is almost no appreciation in political and administrative circles of the implications for immediate program planning of the longer-run population growth rate and its effect on land and employment.

Recommendations

1. Priority for rice production. A concentrated effort on production increases through the new high-yield varieties, along the lines of the ARPP, is a wise step. The program offers a specific and dramatic enough goal hopefully to bring together diverse political and administrative entities into a coordinated, effective development effort. Success in this area could also create a needed sense of confidence about East Pakistan's development potential that would inspire additional and diverse programs of constructive effort and perhaps decrease the understandable but overly concentrated East Pakistani attention on outside contributions and general East-West budget allocations. Moreover, some inequalities in participation, particularly between more enterprising and other farmers (rather than larger vs. smaller) and the fact that perhaps no more than 30% of the farmers will be early direct beneficiaries of the high gear ARPP, can be accepted as perhaps inevitable conditions for reaching self-sufficiency in grain in the near future.

2. Production goals geared to small-scale holdings and employment creation. Priority for the production program does not require however an absence of attention to distribution questions. The philosophy, and guiding principles for the accelerated production program, should be that it is one that preserves and where possible strengthens the long-run viability of small-scale agriculture in East Pakistan, and which maximize employment opportunities.

3. Avoid assumptions about integration of present programs. In this light, it cannot be assumed that the present array of programs will each do their thing and therefore meet these several objectives; i.e., that ARPP will provide the inputs for production, IRDP will provide for an organizational structure whereby small farmers continue to benefit and progress, and Rural Works will provide income for the landless. These programs mesh in principle, but in practice compete for administrative power, budget, and geographical domain. It will take extraordinarily sensitive administration and timely assistance to see them work in tandem and above all not to have one's objectives defeated by another's.

4. Alternative means for broadening participation in agricultural progress. The present array of programs should also not be seen as the only ways to ensure greater equity in a rural development effort. There are other ways than Comilla-style cooperatives to limit inequitable domination of resources, especially in the short run of an accelerated production program. One is to limit the amount of land any one farmer can bring into the subsidized, high-yield rice program. This should be relatively easy to institute, requiring only administrative decision (there already are limits in the ARPP on maunds per acre to be paid the premium price),

and should have very little if any effect on production goals. Second is a new land reform law, limiting irrigated rice acreage to perhaps 10 or 15 acres rather than the present 100; this would at least clamp a limit on very excessive land accumulation should such a trend begin. A third and related measure would be to limit the amount of land owned by non-cultivators, in order to cut down on the reported investment/speculation in land by urban residents. The latter two steps may be hard, requiring new legislation, but are perhaps politically more feasible than often imagined, especially if East Pakistanies are as attached to the small farmer economy as many claim. They are also laws easier to pass sooner than later, when agglomeration gets under way and vested interests become established. Other more technical but equally vital checks and balances can be built in; steps to make more credit available and to permit non-title collateral arrangements for credit; adherence to strict qualifications for cooperative registration; better publicity of programs; etc.

In sum, A.I.D. should not be limited to the measures now on the books, and the biases and limitations of those behind present programs, in proposing methods for tempering undesirable side-effects of agricultural progress. This is especially true if A.I.D. places first priority -- and so advises the GOP to -- on an accelerated production program which will run ahead of the spread of more institutional programs like the IRDP.

5. An integrated A.I.D. program. A.I.D., therefore, will need not just a balanced program, but an integrated one. Providing substantial technical assistance to the production program, and some P.L. 480 proceeds to each of the IRDP and RWP is balanced, but it is a little like betting on both the black and red simultaneously in roulette. A.I.D.'s program inputs need instead to be structured so that the Mission assists in the production breakthrough, but also is cognizant of the ways in which different elements of a total program need to be meshed on a continuing operational basis. That requires that the Mission have a balanced flow of information about what is happening in the rural development area and that it have a staff devoted to the various problems raised in this paper.

6. Proposals for a rural development division. Specifically, A.I.D. needs to have a rural development division that is as coordinated and comprehensive as the task which it is assisting; certainly as coordinated as we expect the GOEP to be in administering even the ARPP let alone the IRDP. The technical assistance input to rural development should be so organized that men working on production problems, extension, credit, etc., are interacting under a set of goals related also to small farmer participation and continued adequate support for Rural Works that assists the landless. This is expecially true since their counterpart ministries will in many cases be less than sympathetic to these latter goals and will thus bias somewhat the flow back of information.

To do this, the rural development input should be organized under a single person in the Mission in charge of rural development, whose

counterpart will be the Chief Secretary of the Planning Division in the Government of East Pakistan, and whose objective is "rural development" in which production is a priority, but not the sole objective. Under him, there needs to be four sets of technical skills:

a. Production experts (perhaps 12-15) -- in fertilizer, extension, agronomy, water, etc. -- attached to the Department of Agriculture, EPADC, and other agencies as appropriate.

b. At least one agricultural economist, one marketing specialist, one employment specialist, and one rural sociologist who -- as a team -- would analyze the economic effects of new technology, pricing policies, marketing problems, and the access to the new technology by different strata and different regions of the rural population. They should have counterparts in the Planning Division, and perhaps other Ministries. They should have a major role in promoting research by Pakistani institutions (see below #7). The Thailand Mission's experience with such a team is worth examining, though it was more exclusively for research than recommended here.

c. Credit advisors (perhaps two) to follow the problems of credit financing and administration in the several programs, with special attention to the timeliness of credit distribution, access to it by various farm groups, and relative advantages and disadvantages of various distribution mechanisms. They should work closely with the Cooperative Bank, but many of the problems in credit are policy problems with the State Bank, the Directorate of Cooperatives, and the Planning Division, so that the advisors should not be limited to the problems (and skills) of credit administration. They should be credit policy and management specialists. A loan for credit support should also be strongly considered by the Mission.

d. Managerial specialists. There are a few people in this world, with no program axe to grind, who are specialists in getting things to work. Systems analysts have made a science out of this, and a few systems analysts are broad enough human beings to combine substance with system so that the real program doesn't get lost in the symmetry of the flow charts. Two of this admittedly rare kind of people should be included to help make team efforts of technical assistance, and multi-purpose programs like ARPP/IRDP/RWP mesh effectively. They would be particularly valuable in assessing the problems of the spread province-wide of various programs that have different priorities, different time schedules, and different administrative needs. They would work closely with PARD, where the training and planning for so many of the pieces of all three rural development programs are to be carried out. But they would not be co-op specialists; to bring co-op specialists to Comilla is truly to bring coals to Newcastle.

7. Research. A.I.D. should support a major research effort that will accompany, not follow, the various rural development programs. American assistance in this effort should be aimed at helping create Pakistani mechanisms and institutions for multi-disciplinary, inter-university research -- not at doing the research ourselves. This research program must be broadly based, looking at the organizational and social implications of each new program. We should not make the mistake at Mymensingh that we did at Lyallpur; i.e., create an agricultural university oblivious to the social and many of the economic implications of its work. Instead, we should use the Southern Consortium contract to engage Mymensingh in researching not only new crops and techniques, but the implications of different technological changes on the rural structure of East Pakistan. Dacca University, PARD and other sources of expertise should also be tapped, especially in researching broader social and economic implications of rural change.

The main lines of research needed on an urgent and continuing basis include:

a. What is the actual trend in land sales; price, mortgages and distribution of holdings? How are they affected by water, new seeds, other technology? How does it vary by regions? What motivates farmers to sell?

b. What is the land distribution in various organizational schemes for rural development -- pump groups, various forms of cooperatives, non-organized extension efforts?

c. What is the effect of credit on the formation, operation and control of pump groups? Do "soft" programs in fact lead to moneylender dominance or other problems of cooperative organization, or do they encourage broader participation? What forms of security other than land would permit quasi-tenants or marginal landholders to join cooperatives?

d. What constitutes "landlessness;" i.e., at what point is a farmer beyond reach of organized efforts at improvement of production or credit; beyond self-sufficiency? At what point does he consider himself virtually landless? How large does this make the "landless" class?

e. What kind of arrangements can be made, and how costly would they be, for regrouping fragmented holdings without consolidating holdings unequally?

f. What differences arise in income effects among different groups from different types of works programs; e.g., roads, irrigation, etc.?

g. What are the factors motivating people to migrate from the rural areas? Where do they go -- small towns, large cities? What are their employment experiences?

h. How does landholding, migration, employment and income change relate to population growth? How are attitudes affected by these changes? What differences in attitude on population exist between large, middle, small and landless farmers; and between these and the urban population strata?

i. How are the social cost/benefit ratios of various rural and urban development programs affected by the above research results; e.g., by possible changes in long-term population growth patterns that would arise from various types of involvement in rural modernization, or by considering the social services and housing costs of urbanization, etc.?

j. What are the problems of local administration? Which of these problems are aggravated by population density, by changes in technology, by changes in land distribution?

8. Public Policy Education. Research is not enough. It can be too academic, or just put on the shelf. There is a tremendous need for public education on the issues of rural development, drawing on the results of experience, data, and research. A.I.D. should encourage, and assist where it can in developing such education. Several kinds are needed:

a) Education of the various Ministry officials on the relationships and conflicts among their several programs.

b) Education of political leaders -- and other leaders in labor and business -- about the problems and issues of rural development, the significance of different approaches, and the costs (political, social and economic) of the alternatives.

c) Education of the general public, but particularly the articulate segments, on the problems of rural development, the relationship of rural to urban problems, the effects of population growth, the implications of long-term agricultural growth (or stagnation), the basis for and implications of various investment, pricing, taxation and other development policies.

Some of this education can be carried out through new forums at the universities or PARD. Possibly a new institution is needed to take on this function on a full-time basis. A.I.D./W's contract with the Brookings Institution is designed to assess the feasibility of U.S. assistance to such institutions, and should be utilized in East Pakistan to assess the needs and potential for such a broad program of public education.

9. Urban and industrial planning. The close link between rural and urban development makes it mandatory that the current accelerated effort in rural development be accompanied by a planning effort in industrial development and urban growth. Some reports on industrial development

have been done for East Pakistan, but what is needed is a long-term effort that will help institutionalize a permanent planning and programming capacity for East Pakistan in these areas. The questions to be studied closely relate to rural development strategy. For example, the potential for industrial and related service employment will determine how much of the increased labor force of the next twenty years needs to be absorbed in the rural areas and therefore how high a priority (and budget) need to be attached to labor-intensive programs in the countryside and to rural development strategies that hold people on the land. Similarly, analysis of town development, the pros and cons of rural electrification, and the potential for agro-industry will affect not only investment patterns in infrastructure but the bent of agricultural research leading to crop diversification.

There is only so much however that any LDC government, and any aid donor can concentrate on effectively. The priority now being given to rural development, and rice production in particular, is sound. The work on urban and industrial problems should therefore be long-range and low key. It can however be done by a small contract team of specialists who would work on these problems over the next several years -- analyzing with Pakistani planners and experts the potential, the alternatives, the investment requirements, and the policy and program choices. Such a team may be tied in with, or part of the UNDP planning group being considered. Thus, when the five year plan for rice self-sufficiency is well under way, there will be a sound basis for shifting priorities -- a basis that allows hopefully for a blending of industrial/urban planning with the emergent second generation problems of the Green Revolution.

10. U.S. positions in Rawalpindi and at the Consortium. A.I.D. needs to feed the information from its research and broad-based technical assistance program into U.S. positions in Rawalpindi and in the Consortium. The U.S. must take a strong position particularly that IBRD (and WAPDA) projects take full account of the problems of farmer organization, employment, and income distribution. If the IBRD and other donors proceed with large capital projects that ignore these considerations, they will set back and perhaps overwhelm more sensitive programs. The U.S. has to be circumspect on sensitive issues in many cases in Pakistan. But within the Consortium, it would be self-defeating not to take a strong stand on such matters. Once -- and it will take a long time -- the IBRD and other members become sensitive to the enormous population/employment problems of East Pakistan and how some ostensibly "efficient" projects can exacerbate these problems, A.I.D.'s unilateral role in this area can recede.

11. Alternatives to P.L. 480 financing. The U.S. should find alternative means at later stages to P.L. 480 financing for assistance to rural development programs. At present there is a conflict between progress in production and the level of U.S. support: as self-sufficiency in grains is approached, the amount of P.L. 480 grains declines. But it will be in

the later stages of the program, as self-sufficiency is approached, that the IRDP and the Rural Works will need support and perhaps need to be intensified, and yet when the incentives on the GOEP side will decline. That will be the time when U.S. aid should not also lose its ability to promote rural development, and when it should have some means for bolstering these auxiliary programs. Forms of assistance (Program Loan add-ons, sector loans, etc.) which don't run directly opposite to agricultural production levels will make that position easier for us to assume.

12. Production vs. participation at the margin. The United States must be prepared to balance its desires for self-sufficiency in rice production in East Pakistan with other goals related to the structure and distribution questions in Pakistani rural society. This means in cold hard terms that at the margin the U.S. must be prepared to expend P.L. 480 and other financial support for one or two or even three years longer than planned if it means that the rice production program will be substantially more, rather than less equitably implemented. This runs contrary not only to all our internal pressures but the pressures from Congress as well. It will be tempting and indeed important to maximize in the shortest period of time East Pakistan's achievement of self-sufficiency in rice. That goal needs to be held out. moreover, and enforced by declining P.L. 480 levels, in order to provide the incentives for Pakistan's efforts and particularly for coordinated government efforts in rural development. But where information feeding back to the Mission shows that the goals being achieved are at the price of either substantial damage to small farmer cooperative efforts or to benefits for landless labor, the program must be slowed down if necessary to allow for adjustments and for complementary activity on the part of other programs. Without this policy dedication on the part of the U.S., the remainder of the recommendations in this paper will be of less value. No attempt is made here to define categorically "substantial damage" because there would be a variety of interacting conditions to be considered: land accumulation, employment, geographic variations of effect, etc. But programs which appeared to be rendering more than one-third of the rural population landless or marginal would likely be more counter-productive than helpful to solution of East Pakistan's development problems.

NOTES

1/ A.K.M. Mohsen, Evaluation of the Thana Irrigation Programme in East Pakistan (1968-69) (Comilla: Pakistan Academy for Rural Development, Nov. 1969), p. 50.

2/ Ibid., p. 52.

3/ Ibid., p. 72.

4/ S. Anania, Credit and Fertilizer Promotion in Pakistan, United Nations Development Programme Special Fund, 1969.

5/ Trip report by Desaix Myers, US A.I.D./Dacca.

6/ Information from samples collated by S.A. Rahim, PARD.

7/ Evaluation of Thana Irrigation Programme, p. 111.

8/ Samples from S.A. Rahim, PARD.

9/ John Woodward Thomas, "Rural Public Works and East Pakistan's Development," Harvard Economic Development Report 112.

10/ Rehman Sobhan, Basic Democracies Works Programme and Rural Development in East Pakistan (Dacca: Bureau of Economic Research, University of Dacca, 1968), pp. 143-164.

11/ Evaluation of Thana Irrigation Programme, p. 22.

12/ K.M. Tipu Sultan, The Works Programme in East Pakistan (Comilla: PARD, Aug., 1969), p. 68.

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